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## Strategic brand management based on sustainable-oriented view: an evaluation in Turkish home appliance industry

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### Abstract

This paper evaluates the effect of firm sustainability on brand perception, which is key to brand image in brand management and marketing. The paper also reviews the literature in understanding well-established activities of sustainability effecting brand perception of individuals. Branding literature explains the influence of a brand on sustainability-driven opportunities available to a firm for brand image. The objective of this study is to explore how sustainability-based brand image making of managers effective in driving opportunities available to a firm for marketing performance. A conceptual framework grounded in this study is based on the sustainability-based brand image that effects marketing performance of a brand sold through retailers and customers which in turn can create numerous opportunities for marketing. A descriptive qualitative survey exploring sustainability activities of three big brands in home appliances industry in Turkey has been included in the study. The results indicated that the model developed by using existing approaches in the literature, provides supportive findings for further large scale empirical investigations in terms of variables and hypotheses that can be used for both academic and managerial purposes. In future studies, relationship between sustainability and brand image and marketing performance can be evaluated within wider perspectives.

**Keywords:** sustainable, sustainability, brand image, brand management, Turkish home appliance industry

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### 1. Introduction

An important line of research in the brand literature argues for adopting relational perspectives in brand management; in this way, brand management emerges as an ongoing dynamic process in which sustainability is reviewed as a factor in the last decades, (Louro and Cunha (2001) requiring big changes in traditional brand management structures. (Merz, He, and Vargo (2009) Brand-building activities (e.g. Katsanis, 1999; Keller, 2003) recommend designing actions in several marketing related areas such as different product design, product positioning and packaging, communications campaigns in traditional and online media, and brand extensions. Consequently, the strategic brand management has to include a careful fit between the firm's global marketing strategy and the desired brand image, together with a planning of the brand's medium and long-term goals to facilitate the strategic marketing planning process.

Practitioners and academics have reviewed sustainability from various perspectives (Fuchs and Lorek, 2005; Sethi and Srinivas, 2011). Academics acknowledge sustainability as an approach that is adopted to meet current requirements while developing capabilities that can help focus on the future (Chabowski, Mena and Gonzalez-Padron, 2011). Sustainability is presently seen as a delicate balance between the economic, environmental and social health of a community, nation and of course the Earth. The concept incorporates three dimensions and the academic literature explains these dimensions as economic, social and environmental (Elkington, 1998; Funk, 2003). Business researchers indicate the economic dimension of sustainability as the most desirable because it provides financial strength and avoids conditions leading to an early demise of the business due to financial

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reasons (Bansal & Roth, 2000). The marketing literature discusses sustainability and highlights its role in creating opportunities and driving firm performance by taking up social initiatives understood as corporate social responsibility (Peloza & Shang, 2011). The role of operations in making a business perform on the parameter of sustainability has been discussed as a determinant of a firm's ability to produce or deliver efficiently (Dao, Langella, & Carbo, 2011). Sustainability is fast becoming a viable ideology in political, economic, technological, and academic circles. Yet little theoretical, empirical, or strategic research has attempted to understand it in depth; the strategic nature of sustainability is even less well documented (Varadarajan, 2010). Sustainability, at least as a concept, has permeated most spheres of life, not solely because it is a political requirement but because it clearly resonates with something deep within us, even though we have a poor understanding of what it is. The concept of sustainability has been shaped by various influences, including political, public, and academic forces (Benn & Dunphy, 2007; Dunphy, Benveniste, Griffiths, & Sutton, 2000). The Brundtland Commission (World Commission on Environment and Development, 1987) and the 1992 Earth Summit in Rio de Janeiro introduced the concept of sustainability worldwide. In a corporate context, sustainability has been defined narrowly as corporations' social or environmental concerns and broadly as their social, environmental, and economic concerns. (Linnenluecke and Griffiths, 2010)

The sustainability concept first emerged in the early 1970s but it exploded onto the global arena in 1987 with the Brundtland Report,<sup>1</sup> in which sustainable development is defined as development that meets the needs of the present without compromising the ability of future generations to meet their own needs. This very noble definition, however, defies objective interpretation or operational implementation. Most of us would see our own personal needs within the context of our circumstances rather than as absolutes. Our perceptions of the needs of future generations, therefore, beggar the imagination. 'How much is enough?' is a question we have to explore together but can only answer individually. Sustainability refers to corporations' recognition of how social, environmental, and economic concerns affect their culture, decision making, strategy, and operations. This definition acknowledges that organizations take account of economic issues, but that they also adopt a broader perspective of their purpose including social (Van Tulder, Kolk and Van, 2009) and environmental (Yang and Sheu, 2007) issues.

For the purposes of this study particular interest is given in the social, environment and economic aspects of sustainability so that organizations can build competitive advantage that leads to superior financial performance, ensuring organizational survival and growth. Within this framework we propose that environment-friendly brand image will increase marketing performance of firms.

## **2. Literature review of sustainability**

Do sustainability concerns of a brand lead to differentiation? This question is being frequently asked by practitioners and academic researchers (Miles and Covin, 2000). Recent changes in climate events have raised serious concerns and are pushing businesses to approach sustainability from a broader point of view and a long term perspective in the form of care for natural resources or health related issues (Sheth, Sethia and Srinivas, 2011). From a sustainability viewpoint, researchers such as Connelly, Ketchen, and Slater (2011) and Chabowski, Jeannette, and Gonzalez-Padron (2011) recommend that managers should embed sustainability concerns into their efforts if they want to create brand image. The shifting trends in the way customers have started to think about businesses reflect the change required in the marketing strategy of companies (Banerjee, 2001). Such change is important from both marketing and management perspectives as needs of consumers today have moved from innovative products to sustainable products (Armstrong and LeHow, 2011). In view of these pragmatic shifts, there is resurgent interest in practice about the identification of the link between sustainability concerns and brand differentiation that becomes the brand selection criteria of customers (Green, 2008). Traditional utilitarian approach towards brands has been used as tools by managers to enable consumers to differentiate them from their competitors. To counter global competition, application of branding theories enables managers to drive their customers across home boundaries to associate, assess, evaluate and differentiate them from their competitors (Alba et al., 1997; Shocker, Srivastava and Ruekert, 1994). Successful development and management of a brand in a competitive market today requires a reputation built on favourable evaluations of motivated consumers. One such evaluation can be built using sustainability concerns as they demonstrate responsible behaviour to requirements of mankind (Kakabadse, Rouzel, and Lee-Davies, 2005). Today consumers are seeking a stronger emotional connection with the brand and often look for brand differentiation that is meaningful based on its sustainable practices (Kurowska, 2003). In an analysis of a capitalistic view of the coffee market, Linton, Liou, and Shaw (2004) studied the impact of pricing and management related matters on sensitive issues such as unfair trade practices. Their findings highlight supply driven marketing efforts as an appropriate solution to ethically serve consumer segment.

In case of brands known for not contributing to sustainability issues, consumers tend to develop a disapproving outlook and unfavourable attitude towards the brand over a period of time (Clancy and O'Loughlin, 2002). Green and Macmillan reported that both consumer and investors seek information from the brands about the efforts they make to address environmental issues. Even not so strong brands can contribute to the social welfare. Such contributions reduce negative influence of corporate actions or processes on mankind (Varey, 2011). Lately various researchers have elaborated on the process of adopting practices that address sustainability concerns and its influence on customer behaviour (Godichaud, Tchangani, Peres, and Lung, 2011). Communicating

similar concerns has been recommended for building brand knowledge and brand image for corporate reputation in the literature by Luo and Bhattacharya (2006). Various other studies have discussed the sustainability as a concern for marketers and its outcomes (Crittenden, Ferrell, Ferrell and Pinney, 2011). However, there is a gap in the academic literature about the influence of sustainability driven actions in the context of brand image. Our purpose is to examine the linkages between sustainability based brand knowledge and brand value as drivers of brand image that can affect brand selection criteria of customers. Although a few studies in this area of research, particularly on the role of marketing in building sustainability of businesses are available, this research will be one of the initial studies in this domain that will investigate the identified relationships in the context of brands.

Traditional utilitarian approaches towards brands have been used as tools by managers to enable consumers to differentiate them from their competitors (Berry, 2000; Pechmann and Ratneshwar, 1991). To counter global competition, application of branding theories enables managers to drive their customers across home boundaries to associate, assess, evaluate and brand them from their competitors (Alba et al., 1997). Successful development and management of a brand in a competitive market today requires a reputation built on favourable evaluations of motivated consumers (MacInnis and deMello, 2005). One such evaluation can be built using sustainability concerns as they demonstrate responsible behaviour to requirements of mankind (Kakabadse, Rouzel and Lee-Davies, 2005). Today consumers are seeking a stronger emotional connection with the brand and often look for brand image that is meaningful based on its sustainable practices. There are other definitions of sustainability which sidestep human needs, preferring to talk about ecological integrity, diversity and limits. These too defy objective interpretation. These deficiencies in the definitions, if that is what they are, cause much frustration to the rational mind, particularly for those trying to measure sustainability. Meanwhile our reductionist mentality has tended to link it in a servile capacity to quantitative and productive activity, such as sustainable agriculture, forestry, land management and fisheries (Gupta, Czinkota and Melewar, 2012).

## 2.1 Economic indicators

There is much dissatisfaction with economic indicators, even among economists. Most would claim that they are not indicators of anything other than the economy. Some do not believe they are even meaningful measures of economic sustainability (Daly, H. and Cobb, J. 1989). The adherents for the most common indicator, the gross national product (GNP), now replaced by the gross domestic product (GDP), are getting fewer, but it is still widely used. Daly and Cobb have developed the Index of Sustainable Economic Welfare (ISEW), which has recently been further refined as the 'genuine progress indicator' (GPI) by Cobb *et al.* Consumption is still the base of the index, but instead of adding negative or deleterious consumption (e.g. defence, environmental protection) it subtracts them and adds previously unmeasured positive beneficial consumption (e.g. voluntary work, care giving, housework). The GPI is a more realistic alternative to the GDP. The proponents of GPI presumably believe it is more likely to receive establishment endorsement by starting from the received wisdom.

To manage brand image in a competitive market, business economics theories require managers to synthesize concepts of both macroeconomics with microeconomics in terms of tradeoffs, rationalities and incentives by considering both explicit and implicit costs (Spulber, 1994). From a sustainability perspective, the costing of public goods is not always possible; e.g. air pollution (Walker & Hanson, 1998). While changes in consumption patterns can be correlated to the profits that a company makes, the value created by company through efficient management of public goods for addressing sustainability issues improves the reputation of a company (Steenkamp & Ho). Furthermore, the GDP and the GPI are single indices. Both are aggregations of specific economic indicators. Whereas economic indicators may be equally responsive, in respect to time, to actions of adjustment, or can be meaningfully weighted in their aggregation, this is not true of social, environmental and sustainability indicators. Economic indicators are therefore not particularly useful as measures of sustainability, but economic considerations need to be factored in. Managers try to use substitution effects that encourage operations to be highly sensitive to sustainability issues in their business practices while making a profit (Zeithaml, 1988). This change requires brand managers to take conscious decisions about ethical practices adopted by their brand for the successful sale or delivery of its products. Apart from considering incentivizing customers for the recycling of products and reducing the cost of products, there also needs to be wastage of resources, or restricted use of child labour (Snider, Hill, and Martin, 2003). Favourable knowledge and perceptions of customers about value contributed by brands allow managers to gain economic benefits for their business (Rust, Lemon, and Zeithaml, 2004). Application of these concepts into the sustainability based actions when adopted by a brand from an economic perspective can be even more beneficial to the company.

## 2.2 Social indicators

There are broadly five types of social indicators: informative, predictive, problem oriented, programme evaluative, and target delineation. Many social indicators are in part economic, environmental and sustainability measures too. They can be comparative, between and within socioeconomic and ethnic groupings. Objective conditions, such as the standard of living, are measured by analyzing time series information on observable phenomena. Subjective conditions, such as quality of life, are measures of perceptions, feelings and responses obtained through questionnaires with graded scales (Christine and Adam 2012). It is well known that there is little correlation in the level of well-being as measured by objective parameters on the one hand and subjective parameters on the other.

The social dimension of sustainability necessitates businesses to adopt the philosophy of stewardship (Persley, Meade and Sarkis, 2007). There are considerable difficulties associated with the aggregation of indicators and in the design of weighting schemes. There can be aggregation of indicators of a similar nature, but in general aggregation, and certainly a single index, is uncommon. Social stewardship requires businesses to promise and provide a better quality of life to all by taking actions that are oriented towards addressing the challenges faced by the society in which the business operate. In light of globalization and indirect linkages the scope can be expanded to include even societies in which a brand does not yet operate. Companies try to take actions that address issues such as poverty alleviation, improving work conditions, health systems or education avenues that can demonstrate their concern for society (Closs et al., 2011). The purpose of such social actions taken by the brands is to full fill management is sense of obligation and to publically demonstrate a sense of responsibility (Peattie and Morley, 2008).

The World Health Organization in 2006 reported service provision, resource generation, financing and stewardship as the essential elements of knowledge creation and also recommended them to be considered as a part of corporate governance by businesses (WHO, 2006). The report holds companies responsible for demonstrating effective stewardship by identifying the need, creating a vision, implementing the vision as a strategy and influencing change for creating situations of enablement. The marketing literature emphasizes on the role of social dimension of sustainability in the creation of value that can be utilized to identify new opportunities for businesses (Tsoi, 2010). The challenge of sustainability is neither wholly technical nor rational. It is one of change in attitude and behaviour. Sustainability must therefore include the social discourse where the fundamental issues are explored collaboratively within the groups a community concerned. As social dimension has been studied extensively, literature reflects on various measures that can be used to assess its ability to create differentiation. These arguments have not been studied previously in the context of branding theories. The argument we present here is that health or education related social concerns of a brand not only facilitate creation of brand knowledge but also influences the perception of the overall value that a brand contributes.

## 2.3 Environmental/ecological indicators

Environmental indicators tend to relate to the environmental sphere closest to human activity and can include economic, social and sustainability parameters too. They measure the quality of the living and working environment, usually for the three spheres of air, land and water, and may include measures of our productive use of resources, e.g. agri-environmental indicators. Ecological indicators relate more to ecosystems, where in some cases the human impact is not so evident (Daly and Cobb. 1989). Indicators pertinent to the integrity of ecosystems and biodiversity are prominent. Most of the indicators have, or will have, thresholds and targets.

Various environment research studies have highlighted the role that businesses play in the volatile nature of the environment (Ferreira, Lopes and Morais, 2006). Management changes may be required for adapting to new weather conditions ( Pegg, Patterson and Gariddo, 2012). Actions such as performing business functions in an eco-friendly manner with minimum use and maximum conservation of energy apart from efficient waste management builds favourable perceptions about the environmental friendliness of the company (Shami, 2006). The marketing literature recommends that concerns about such requirements of sustainability should be addressed carefully by businesses with environment friendly actions as it influences customers perceptions of brand, changes preferences when customers make purchases, and drives the overall long-term health of the business (Chabowski et al.) The ecological integrity of the Earth is ensured and our basic needs are satisfied, how much is enough? The question should be posed mostly in the developed countries where, amidst the affluence, there is still inequity. Increasing and deliberate inequity at that, for it is a necessary feature of a growth economy and the driver of material self advancement. Desirable though high standards of living may be, there are finite global limits. Since our concern for the environment decreases as we become more affluent. The argument that businesses can use actions such as pollution control and energy conservation to create brand perception quality important hypotheses to be examined by this study.

## 3. Review of strategic brand literature

Adopting new brand management perspective is essential in today's competitive environments characterized by very similar

commercial goods and services, the rapid imitation of innovations, and an intense competition. Brands need more than ever to build strong relationships with their customers, accordingly, firms critically require developing an efficient brand management strategy (BMS) that allows them to meet the new environmental challenges and achieve a competitive advantage by creating and maintaining strong brands image. The BMS is neither the general brand management process nor the potential relations between the brand-building activities comprising that process (Aaker & Joachimsthaler, 2000). Instead, the BMS is a dynamic capability that sustains the brand management chain model (see Fig. 1). The model of the brand management chain seeks to illustrate two fundamental questions: (1) how can firms create and maintain strong brands image; and (2) what constitutes a strong brand (Keller, 2011). The second question has generated a broad number of studies that analyze the concept of brand image, which according to this study can be subdivided into brand assets, brand image, and brand value. The branding literature has mainly focused on brand equity (Davis, Golicic, & Marquardt, 2008). In contrast, this work stresses the importance of studying how to create and maintain strong brands image. The BMS involves managing the brand inside the firm with a systematic and strategic approach that considers the brand a central element in the business strategy and sets down the bases for implementing and controlling the brand-building actions in an integrated and coordinated way (Gupta, Czinkota and Melewar, 2012).

### 3.1 Brand orientation

Brand orientation refers to the extent to which the firm recognizes the importance of brands as valuable assets and centres its marketing strategy and activities on developing the ability to build strong brands. This concept was initially defined by Baumgarth (2010), and implies that top management attributes a critical importance to branding. Brand orientation in this sense is a mindset, a type of organizational culture that ensures that the brand will have a dominant role in the firm's strategy (Baumgarth, 2010). According to Beverland (2007), firms with an embryonic brand orientation consider the brand an optional strategy that is not necessarily important for achieving competitive advantage. For firms with an integrated brand orientation, in contrast, the brand is a critical strategic resource for achieving competitive advantage and a key guide for their marketing strategy. Brand orientation therefore constitutes the fundamental basis upon which to sustain the firm's ability to manage its brand effectively (Beverland et al., 2007), reinforces the brand's market differentiation and ultimately helps to achieve sustainable competitive advantages (Baumgarth and Schmidt, 2010). Thus in order to create and safeguard strong brands, firms must start by adopting a brand orientation mindset (M'zungu et al., 2010).

Once the organizational environment culture reinforces the building of strong brands as a fundamental strategic objective, all organization strategy must collaborate to achieve this goal and internalize the importance of the brand (Punjaisri et al., 2009). Thus firms must educate and train all their workers, whatever their level and/or function, so they know and support the brand identity and understand its meaning and implications perfectly (Chernatony and Cottam, 2006). Following an internal marketing approach, the objective of this process is that employees do not limit their relationship with the brand to a mere transactional exchange of work for income, but develop symbolic ties with the brand and hence become "brand ambassadors" (Vallaster and de Chernatony, 2006). On the other hand, another objective of internal branding is to favour the concept of sustainability about the brand both from the top down – from the managers and directors – and from the bottom up – from the employees – so that the activities of brand development and strengthening can be carried out as efficiently as possible (M'zungu et al., 2010). On this basis, the BMS should also include the monitoring of the in the concept of sustainability of the brand in order to guarantee a perfect alignment between the internal perception of the brand and the strategic objectives of the organization.

Thus internal branding helps the firm to develop a BMS because this dimension contributes to: (1) operation analyzing the brand orientation culture; (2) implementing brand-building activities, for which the employees must be perfectly familiar with the objectives and characteristics of the brand, and the lines of action that the firm foresees, as well as share relevant information; and (3) delivering the service that accompanies each purchase, through which the brand image is created. In this sense, the employees participate actively in building the brand through each contact or encounter with the customers (Dall'Olmio Riley and de Chernatony, 2000; Merz et al., 2009).

### 3.2 Strategic brand image

Recent studies stress the need for strong brand-supporting marketing activities, or brand orientation, which ensures that the brand has an important role in the business model (Baumgarth and Schmidt, 2010). Researchers also focus on the internal branding concept as a key instrument for customers' commitment to the brand and their collaboration during service encounters to guarantee consistency of the brand experience. The literature also recommends treating the brand as a core strategic resource. Thus M'zungu, Merrilees, and Miller (2010) suggest three stages of strategic brand management for building and protecting strong brands image: adopting a brand orientation mindset, developing branding capabilities and consistent delivery of the brand. On the basis of these ideas, the BMS consists of three underlying dimensions: brand orientation, brand image, and the strategic management of the



marketing activities. The dimensions constitute a system because only their comprehensive implementation, rather than their consideration in isolation, can sustain the firm's ability to develop successful brands (Beverland et al., 2007).

In order for brand image to become a source of competitive advantage for the firm, managers must carry out their strategic management on the basis of a series of fundamental elements: (1) the development of a marketing strategy coherent with the desired brand image; (2) the planning of the brand management over the medium to long term; (3) the evaluation of the evolution in the brand image and value in the market; and (4) the allocation of the economic and human resources necessary for the brand management. The models that describe brand-building activities (e.g. Keller, 2003) recommend designing actions in several marketing related areas such as product design, product positioning and packaging, communications campaigns in traditional and online media, and brand extensions. Consequently, the strategic brand management has to include a careful fit between the firm's global marketing strategy and the desired brand image, together with a planning of the brand's medium and long-term goals to facilitate the strategic marketing planning process. Aaker and Joachimsthaler (2000) propose a model summarizing the firm's investments in the brand in four main areas: creating and reinforcing the brand identity; structuring the brand portfolio; developing coordinated marketing actions; and organizing the brand image infrastructure and process. Brand image constitutes all of the aspects of perception aimed to have been maintained in consumer minds. Brand perception specifically uses the messages emphasized in consumer or marketing communication (Erdil, Uzun, 2011). Messages regarding economic, social and environmental concerns play a substantial role in maintaining brand image. Therefore brand image includes all of product aspects such as virtual characteristics, quality and price created in consumer perception. Firms must therefore acknowledge the importance of allocating human and financial resources to develop their brands.

#### **4. Effects of sustainability on marketing opportunities**

Sustainability, when practiced as a value of an organisation's culture, develops new marketing opportunities for managers. Practices of sustainability enable marketers to communicate about the orientation of their firm's values and beliefs towards not only satisfying the needs of customers but also towards improving the life of its investors or marketing managers as the company's prime objective (Menon and Menon, 1997). It enables marketers to create a differentiation by communicating the firm's brand image or brand perception quality, such as using environmentally friendly material for packaging the products, or reducing carbon footprints by minimising the use of paper by avoiding hard copy mailing and instead communicating electronically (Shrivastava, 1995). Designing target-based campaigns leads to reduction of the waste produced as a result of promotional campaigns (Frame & Newton, 2007). Marketing initiatives, such as creating awareness about the benefits of sustainable products or services can position the firm above competitors and enable it to enjoy a better reputation (Menon and Menon, 1997). Such initiatives act as a stimulus for customers to buy green products and improve the long term viability of the business by helping firms to leverage on its green innovations for economic, social and environmental dividends (Boulatoft & Boyer, 2009). Sustainability-based brand image of a firm when acknowledged by entities operating both internally and externally to the organisation influence the firm's reputation and become its identity over a period of time (Rodrigues and Child, 2008).

Sustainability encourages efficient use of resources so that it brings opportunities for efficient management of costs and wastes. The objective of sustainability is to let firms deal efficiently with their future risks by caring for the financial health of the company while considering the health of people and the planet (Osland, 2003). The management's approach to sustainability by improving gaps in the brand image or green initiatives of the firm provides various opportunities that lead to better performance (Ratnayake and Liyanage, 2009). While the management tries to utilise its resources efficiently and manage its costs and waste through green initiatives, it encourages marketing to motivate consumers to be mindful of their consumption of the products or its brands offered by them (Sheth et al., 2011). The objective of such initiatives is to make all individuals aware of the needs of the environment and motivate them to contribute to sustainability by stimulating them to use sustainable products or services (Sheth et al., 2011). Development and adoption of technologies or information systems for sustainable development by management enables identification of gaps or setbacks to the efficiency of the firm with the areas of improvement (Szekely and Knirsch, 2005).

Information required to drive sustainability-based brand management can be achieved in various ways: from a sustainability performance reporting system; consulting with different communities to understand their requirements linked to sustainability; setting up a programme that allows the exchange of second-hand products to reduce waste; identifying investments to become a socially responsible organisation; labelling products with eco-friendly messages to educate customers (Gupta, Czinkota and Melewar, 2012). Additional factors constituting brand perception of consumers have been witnessed to be included in the last decades. These characteristics are mainly about reduction in energy requirement, green initiatives, product recycling, social responsible actions and sponsorships that are embedded in brand image. Brand image affecting substantially consumers buying behaviour administers decision making of consumers depending on rational and emotional values brands create in their minds and perceptions that have about brands (Erdil, Uzun, 2011). Therefore, brand image is concerned both with targeted perceptions such as product quality, utility and performance as well as virtual ones such as emotional effect and sustainability dimensions of product

that are more subjective and invisible in nature. Sustainability-based brand image provide a marketing performance-oriented roadmap to businesses and lead to a reduction of risks and costs with brand perception such as enhanced reputation, cleaner production and environmental accounting.

### An evaluation of Turkish home appliance industry

In the survey, first, three large home appliances firms in Turkey as representatives of industry are considered in order to explore to what extend they get involved in sustainability related efforts. Second, perceptions of top managers from these firms on the relationships between sustainability, brand image and firm performance are investigated based on propositions derived from the literature. In-depth interviews have been conducted with upper level brand managers in order to understand how their sustainability related activities and organizational efforts overlaps with that of conceptualised in the literature. In the interviews, managers emphasized common factors given below as their objectives and motives in engaging sustainability-related efforts. Objectives and motives in engaging sustainability-related efforts includes firm prestige, legal regulations, international conventions, competitiveness, efficiency, consumer demands and public company as depicted in figure 1.

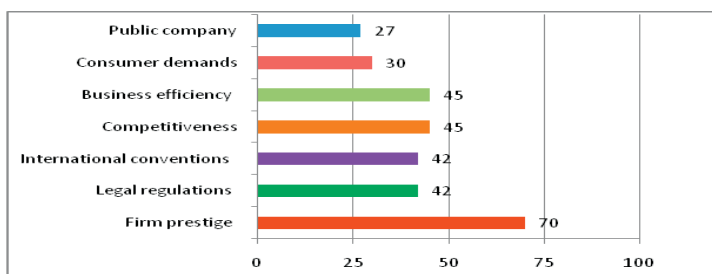


Fig 1: Objectives and motives in engaging sustainability-related efforts.

In in-depth interviews, managers point out reasons for sustainability related actions such as improving brand prestige, increasing competitiveness, resource utility in efficiency and meeting consumers' demands. Duties performed by the organization which has the largest market share among others are given as environment friendly approach to production processes, institutional management and business ethics, improving human rights at the work place, work safety and employee health, environment friendly and innovative products, improving sales and after sales services, improving product information process, social responsibility for the public, contribution to the local economy and sustainability of supply chain. Although all three firms in the survey use different conceptualization of sustainability, they can be grouped under ten headings which have been consistent with the existing literature. It is significantly obvious from the statements of the interviewed managers that innovative products are perceived as they are produced efficiently with eco-friendly process. In addition to concerns at production level at work places, social dimensions of sustainability embedded to brand image are taken into account, as parameters by management. Social dimensions are found to be such factors as institutional management, occupational safety and health, and effective knowledge sharing. As for environmental dimensions, firms emphasize sensitivity to environmental issues, recycling, and training for environmental protection. Those findings seem to point out some implications about the sustainability behaviour of the firms which may be characterized as being market-oriented to increase brand power as given in figure 2.

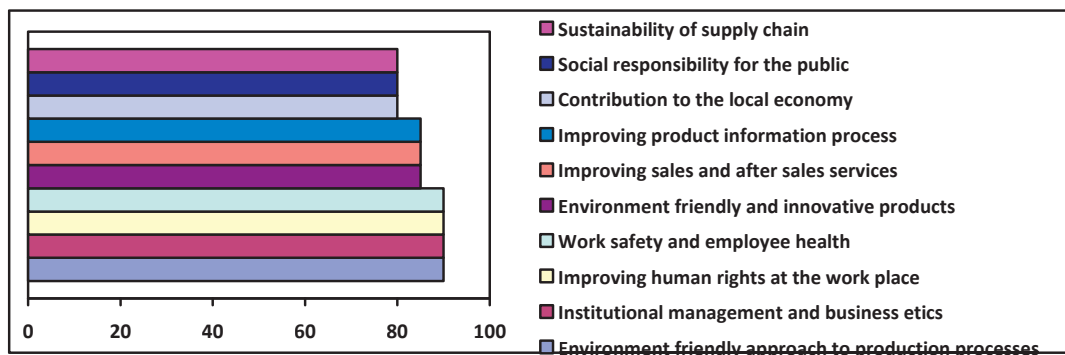


Fig 2: Duties performed sustainability activities by the organization which has the largest market share in Turkish home appliances industry

We have developed a set of measures to marketing activities for brand image in the backdrop of sustainability. We begin by defining the constructs and linkages between them. A descriptive qualitative survey exploring sustainability activities of three big brands in home appliances industry in Turkey has been included in the study. In this study the business sustainability construct identified includes environmental, social and economic sustainability based actions of a brand which are discussed as determinants of brand knowledge and brand perception that together builds brand image. The backdrop of economic sustainability includes reduction in CO<sub>2</sub> emission, pollution, reduction in energy requirements and fuel efficiency clean energy. The backdrop of social sustainability includes organic growth product and health, socially responsible actions, education and natural life, efficient product recycling and waste management. The backdrop of environmental sustainability includes transparent actions, fair trade efficient ecological footprints and integration of upstream and downstream movements which are discussed as determinants of brand knowledge and brand perception that together builds brand image.

The backdrop of marketing performances includes improved retailer interest, reduced cost to consumer, mutually beneficial – dyadic relationships, deep market coverage, favourable image, promote products at different stages of life cycle, improved customer service, data driven market modelling initiatives and improved customer knowledge, as depicted in figure 3.

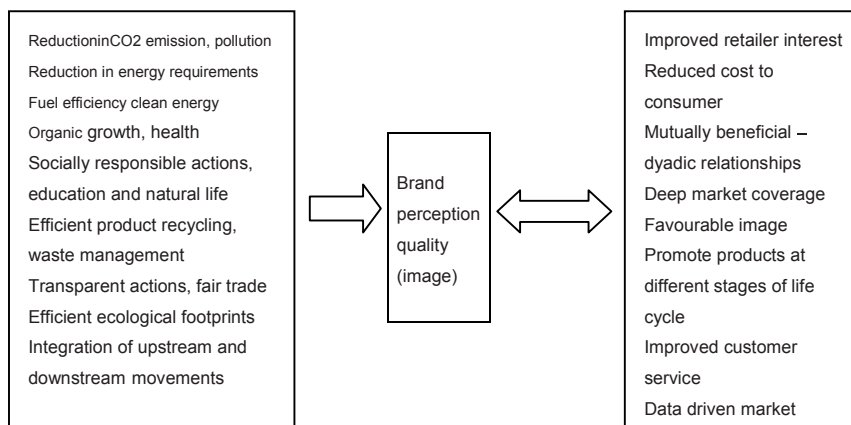


Fig 3. Linking sustainability with Brand perception and marketing performance. Adapted from Suraksha Gupta, V. Kumar, (2012).

Interview results indicated that the model developed by using existing approaches in the literature, provides supportive findings for further large scale empirical investigations in terms of variables and hypotheses that can be used for both academic and managerial purposes. In future studies, relationship between sustainability and brand image and marketing performance can be evaluated within wider perspectives. Some of the discussable questions in further research are given below. In this paper results of interviews held by managers from three different large firms of home appliances in Turkey are given. A model describing possible effects of sustainability on brand perceptions and marketing performance is proposed based on findings in the literature and managerial experiences. Moreover, a proposal of variables describing relationships between sustainability, brand perceptions and marketing performance have been tried to be forwarded.

#### Discussable questions for future research:

According to the findings of this study, we can suggest that by using variables adapted Suraksha and Kumar's study (2012), a survey can be conducted on marketing managers in order to evaluate their perception on sustainability and branding and test propositions mentioned below. We believe that studying the effects of economic, social and environmental variables for sustainability on brand perception and marketing will be a promising research topic for future research.

#### Economics variables:

An increase in the concern of a brand about pollution related environmental challenges being faced by the society in which it operates will positively influence the brand perception quality by its customers.

An increase in the concern of a brand about energy conservation related environmental challenges being faced by the society in which it operates will positively influence the brand perception quality by its customers.

An increase in the concern of fuel efficiency for clean energy environmental challenges being faced by the society in which it operates will positively influence the brand perception quality by its customers.



**Social variables:**

An increase in the concern of a brand about health related challenges being faced by the society in which it operates will improve the brand perception quality by its customers.

An increase in the concern of a brand about the nature related challenges being faced by the society in which it operates will improve the brand perception quality by its customers.

An increase in the concern of a brand about the education related challenges being faced by the society in which it operates will improve the brand perception quality by its customers.

**Environmental variables:**

An increase in the concern of a brand about waste management related environmental challenges being faced by the society in which it operates will positively influence the brand perception quality by its customers.

An increase in the concern of a brand about fair trade related economic challenges being faced by the society in which it operates will positively influence the brand perception quality by its customers.

An increase in the concern of a brand about product recycling related economic challenges being faced by the society in which it operates will positively influence the brand perception quality by its customers.

**4. Conclusion**

This paper has proposed an agenda for sustainability and brand image in the marketing activities. Past studies on sustainability and branding have evaluated the role played by the approach of sustainability in driving brand perception adopted by firm managers and the ability of opportunities created from the firm as a result of these initiatives to drive marketing performance. Marketing researchers have failed to identify the role played by a brand in making the causal effect of opportunities on marketing performance stronger. Future research on this topic should (will) identify economic, social and environmental variables that operate within the constructs and empirically test the framework conceptualised developed from a synthesis of existing knowledge from different domains. For the purpose of generalization, the current study topic as reflected by the propositions made is very broad and we recommend that future researchers should further refine the topic using qualitative data before initiating a quantitative research. The sustainability-based brand image that effect on marketing performance of an industrial brand sold through retailers can create numerous opportunities for the marketing activities. For example the recycling of products becomes easier for a firm when they are either returned to retailers by customers or offered to customers by retailers with a brand name. Product sales information when available to branding managers facilitates the success of brand loyalty process by encouraging existing users to return old products and buy new products. An increase in the concern of a brand about profitability related economic challenges that a business takes to demonstrate its concern for the society will positively influence the brand perception quality by its customers and retailers. Another an increase in the concern of a brand about profitability related economic challenges that a business takes to demonstrate its concern for the society will positively influence the brand perception quality by its customers. For example when recycled products are supported by a strong brand name, their selling becomes easier for the retailer as the level of consumer confidence in the recycled products is high.

The objective of this study is to explore if a brand can effect the activities of sustainability-based brand image of managers to drive opportunities available to a firm for marketing performance. A conceptual framework grounded in this study is based on the sustainability-based brand image that effects marketing performance of a brand sold through retailers and customers which in turn can create numerous opportunities for marketing. A descriptive qualitative survey exploring sustainability activities of three big brands in home appliances industry in Turkey has been included in the study. The results indicated that the model developed by using existing approaches in the literature, provides supportive findings for further large scale empirical investigations, in terms of variables and hypotheses that can be used for both academic and managerial purposes. In future studies, relationship between sustainability and brand image and marketing performance can be evaluated within wider perspectives.

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